

BOARD OF ADMINISTRATION BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE MEETING MINUTES

March 17, 2009

A meeting of the Benefits and Program Administration Committee (BPAC) was held on Tuesday, March 17, 2009 in the Lincoln Plaza North Auditorium, 400 Q Street, Sacramento, California.

The meeting was called to order at 8:30 a.m. and the roll was called. The following members were present:

Kurato Shimada, Chair Rob Feckner, Vice Chair Terrence McGuire for John Chiang Patricia Clarey George Diehr Greg Beatty for David Gilb Henry Jones Priya Mathur Tony Oliveira

Other Board Members present:

Grant Boyken for Bill Lockyer

AGENDA ITEM 2 – APPROVAL OF THE FEBRUARY 18, 2009 BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE MEETING MINUTES

On **MOTION** by Ms. Mathur, **SECONDED** by Mr. Beatty and **CARRIED**, the Committee recommended the Board approve, minutes with correction to the reference to the next BPAC meeting of March 17, 2009.

AGENDA ITEM 3 – ELECTION OF COMMITTEE CHAIR AND VICE CHAIR

Mr. Feckner called for nominations for the BPAC Chairperson. Mr. McGuire nominated Kurato Shimada. No further nominations were made.

On **MOTION** by Ms. Mathur, **SECONDED** by Mr. Beatty and **CARRIED**, the Committee elected Mr. Shimada as Committee Chair.

Mr. Shimada called for nominations for the BPAC Committee Vice Chair. Mr. Jones nominated Rob Feckner. No further nominations were made.

On **MOTION** by Ms. Mathur, **SECONDED** by Mr. Jones and **CARRIED**, the Committee elected Mr. Feckner as Committee Vice Chair.

AGENDA ITEM 4 – STATE LEGISLATIVE PROPOSAL: ELECTRONIC FUNDS TRANSFER

Danny Brown, Acting Chief, Office of Governmental Affairs, presented the State Legislative Proposal: Electronic Funds Transfer as an action item.

On **MOTION** by Mr. Feckner, **SECONDED** by Ms. Mathur and **CARRIED**, the Committee recommended the Board sponsor legislation, allowing the Board to require contracting agencies use Electronic Funds Transfer (EFT) for payment of amounts due to CalPERS.

AGENDA ITEM 5 - CHIEF EXECUTIVE OFFICER DELEGATION OF AUTHORITY

Peter Mixon, General Counsel, presented the Chief Executive Officer Delegation of Authority as an action item. The Delegation of Authority was updated to ensure that the accountability and authority for governance and management of CalPERS is clearly stated and reflects CalPERS' current policies and practices.

On **MOTION** by Mr. Jones, **SECONDED** by Ms. Mathur and **CARRIED**, the Committee recommended the Board approve the revised Delegation of Authority as presented.

AGENDA ITEM 6 – PUBLIC HEARING AND COMMITTEE RECOMMENDATION: PROPOSED AMENDMENTS TO REGULATIONS FOR RISK POOLS

Ron Seeling, Chief Actuary, presented proposed amendments to CalPERS' risk pool regulations set forth in Article 7.6 of Chapter 2 of Division 1 of Title 2 of the California Code of Regulations, consisting of:

- Amending § 588.1 of the regulations to clarify the effective date of the pool's mandated benefits for plans participating in risk pools.
- Amending § 588.2 of the regulations to provide staff with the authority to place a new contracting agency in an individual non-pooled plan rather than in a risk pool if CalPERS actuarial staff deem it necessary to protect pooled employers from potential unfavorable additional costs attributable to new contracting agencies.

The *Notice of Proposed Regulatory Action* was published in the California Regulatory Notice Register on 1-Z, January 2, 2009 providing that the written comment period for the proposed regulatory action would close on February 16, 2009 and that a public hearing would be held on March 17, 2009.

Mr. Shimada, Committee Chair, began the public hearing at 9:06 a.m. on March 17, 2009. There was no public comment or testimony received at the hearing. The public hearing was closed at 9:10 a.m.

On **MOTION** by Mr. Feckner, **SECONDED** by Ms. Mathur and **CARRIED**, the Committee recommended the Board adopt, the proposed amendments to CalPERS' risk pool regulations as presented.

AGENDA ITEM 7 - CALPERS 2009 RETIREMENT PLANNING FAIRS

Ron Kraft, Chief, Customer Service and Education Division, presented the CalPERS 2009 Retirement Planning Fairs as an information item.

AGENDA ITEM 8 – UPDATE ON THE FURLOUGH IMPACT ON BENEFITS AND MEMBER/EMPLOYER CONTRIBUTIONS

Mr. Seeling presented the Update on the Furlough Impact on Benefits and Member/Employer Contributions as an information item. Mr. Neal Johnson, SEIU 1000, provided public comment to the Committee.

AGENDA ITEM 9 – CHIEF ACTUARY REPORT

Mr. Seeling had no items to report.

AGENDA ITEM 10 – ASSISTANT EXECUTIVE OFFICER REPORT

Donna Lum, Assistant Executive Officer, presented the 2009 Master BPAC Agenda Item Calendar and the MBSB Assignment Matrix as an information item.

AGENDA ITEM 11 – DRAFT AGENDA FOR APRIL 21, 2009 BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE MEETING

The Committee accepted the proposed April 21, 2009 agenda as presented.

AGENDA ITEM 12 – PUBLIC COMMENT

There was no public comment.

The next meeting of the Benefits and Program Administration Committee is scheduled for April 21, 2009, in Sacramento, California.

DATE:	
	ANNE STAUSBOLL
	Chief Executive Officer